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9 BROTHERHOOD OF CARPENTERS AND
10 JOINERS OF AMERICA and PACIFIC
11 NORTHWEST REGIONAL COUNCIL OF
12 CARPENTERS

13 **UNITED STATES DISTRICT COURT**

14 **WESTERN DISTRICT OF WASHINGTON**

15 UNITED BROTHERHOOD OF) CASE NO:
16 CARPENTERS AND JOINERS OF)
17 AMERICA, an unincorporated association,)
18 and PACIFIC NORTHWEST REGIONAL) **COMPLAINT**
19 COUNCIL OF CARPENTERS, an)
20 unincorporated association,)
21)
22 Plaintiff,)
23)
24 v.)
25)
26 EVELYN SHAPIRO, an individual,)
27)
28 Defendant.)
29)
30)

31 COMPLAINT
32 CASE NO:

33 SHANLEY, APC
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INTRODUCTION

1. This case is another sad chapter in the story of corruption that has plagued the Pacific Northwest Regional Council of Carpenters (“Regional Council” or “Council”). Based on that corruption, the Regional Council’s then-Executive Secretary-Treasurer (“EST”), Evelyn Shapiro (“Shapiro”), and the Council’s Executive Board asked its parent organization, the United Brotherhood of Carpenters and Joiners of America (“UBC”) to impose a Trusteeship over the Council.

2. This case is about the history of repeated election vote rigging directed by Shapiro, the former highest elected officer of the Regional Council, and the heavy costs to the Council members.

3. The Regional Council Bylaws (Section 39(A)) required a secret membership ballot vote for ratification of all negotiated Master Labor Agreement(s) (“MLA”).

4. In 2019 there was a ratification vote for the Eastern Washington MLA. After it had become apparent that the recommended tentative MLA was being rejected by the members, Shapiro ordered the Council's then-Director of Contract Administration to "fix the fucking vote." He did as he was told, and the vote was fixed against the wishes of the members.

5. In 2020, there was a wage allocation survey for the members to decide what part of their negotiated MLA raise went on the check or went towards increasing health insurance and pension contributions. Again, after it became apparent that Shapiro's

1 recommended allocation was going to lose in that member survey, on information and
 2 belief, Shapiro ordered one of her senior appointed staff to fix the vote. The survey result
 3 was fixed, and Shapiro's recommended allocation passed.

4 6. Most recently, in 2021, there was a member ratification vote for the Western
 5 Washington MLA. Again, after it had become apparent that the Shapiro-recommended
 6 MLA tentative agreement (TA#3) was going to fail in a vote of the members, Shapiro
 7 ordered the Council's then-Director of Organizing to fix the vote. He attempted to fix the
 8 vote by submitting false votes on behalf of members who had not yet voted, but an
 9 Administrative Staff discovered and stopped these false votes from being counted. Without
 10 the false votes, Shapiro's TA#3 was rejected by the members.

11 7. Shapiro violated her duties under federal law by fixing these votes.

12 8. Shapiro's violations cost the members tens of thousands of dollars.

13 9. Shapiro's instructions to rig votes violated her Section 501 fiduciary duties
 14 imposed under the Labor Management Reporting and Disclosure Act of 1959 ("LMRDA").
 15 These duties hold union officials to "the highest standards of responsibility and ethical
 16 conduct in administering the affairs of the union." *Serv. Emps. Int'l Union v. Nat'l Union*
 17 *of Healthcare Workers*, 718 F.3d 1036, 1044 (9th Cir. 2013) (citing 29 U.S.C. § 501(a)).

18 10. Shapiro's breaches of her duties under the Council Bylaws and Constitution
 19 also violated Section 301 of the Labor Management Relations Act ("LMRA"). When
 20 Shapiro was sworn into office, she made a solemn pledge "to perform the duties of [her]

1 office as prescribed in the Constitution and Laws.” Vote fixing is not permitted by the
2 Council Bylaws and Constitution. Shapiro also fully acknowledged in that same oath that
3 violating this pledge “stamp[ed]” her “as a person devoid of principle—and destitute of
4 honor—only worthy of the scorn and contempt of [her] Brothers and Sisters.”

5 11. Shapiro's conduct not only shows that she is destitute of honor and worthy of
6 the scorn and contempt of her former Brothers and Sisters, but her conduct also violated
7 her duties under federal law.

8 12. Because Shapiro violated federal law, she now needs to repay the members
9 for the damages her breaches caused.

THE PARTIES

11 13. Plaintiff United Brotherhood of Carpenters and Joiners of America (“UBC”)
12 is an unincorporated voluntary association and a “labor organization” as defined by
13 29 U.S.C. Section 402(i). UBC maintains an office in Washington D.C. On October 25,
14 2021, the Regional Council’s Executive Board unanimously passed a Resolution inviting
15 the UBC’s trusteeship and investigation. Exhibit “A” is a true and correct copy of that
16 Resolution.

17 14. Plaintiff Pacific Northwest Regional Council of Carpenters (“Regional
18 Council” or “Council”) is an unincorporated voluntary association and a “labor
19 organization” as defined by 29 U.S.C. Section 402(i). The Regional Council maintains an
20 office in Kent, Washington.

15. Upon information and belief, Defendant Evelyn Shapiro is an individual residing in the state of Washington, and in particular residing in the Western District of Washington. At all relevant times, Shapiro was an agent and representative of the Regional Council as well as an elected officer of the Regional Council, and thus was an officer, agent and/or other representative within the meaning of Section 501 of the LMRDA.

JURISDICTION AND VENUE

16. This Court has original jurisdiction pursuant to 28 U.S.C. Sections 1331 and 1337. *See Serv. Emps. Int'l Union v. Nat'l Union of Healthcare Workers*, 711 F.3d 970, 980 (9th Cir. 2013), amended on denial of reh'g by 718 F.3d 1036 (9th Cir. 2013) (federal courts have Section 501 jurisdiction in action brought by union against its former officials); 29 U.S.C. § 501(a).

17. Pursuant to 28 U.S.C. Section 1391, venue is proper in this district. Defendant Shapiro is a “resident[] of the State in which the district is located” and is domiciled within this district. 28 U.S.C. § 1391(b)(1) & (c)(1). This is also the judicial district where “a substantial part of the events or omissions giving rise to the claim occurred[.]” *Id.* § 1391(b)(2).

STATEMENT OF FACTS

18. Section 501(a) of the LMRDA sets out the fiduciary duties owed by officers of a union under federal law. 29 U.S.C. § 501(a). Under Section 501, union officials “are held to the highest standards of responsibility and ethical conduct in administering the

1 affairs of the union.” *Servs. Emps. Int'l Union*, 718 F.3d at 1044.

2 19. Section 301 of the LMRA provides for federal jurisdiction over breaches of
 3 union bylaws and constitutions.

4 20. Shapiro violated her Section 501 fiduciary duties and her duties under the
 5 Council’s Bylaws and the UBC Constitution.

6 21. Shapiro was the Executive Secretary-Treasurer of the Regional Council from
 7 2018 to October 2021. This is the highest elected office of the Regional Council. As the
 8 Executive Secretary-Treasurer, Shapiro was the Chief Executive Officer of the Council.

9 22. In 2019, the Council was negotiating a new MLA with contractors employing
 10 its members in Eastern Washington.

11 23. After negotiating a tentative agreement, the Council put out the recommended
 12 contract for ratification by the members of the Council, as required by the Council’s
 13 Bylaws (Section 39(A)).

14 24. The ratification vote was being conducted electronically with members
 15 logging online to vote.

16 25. During the ratification vote it became apparent to Shapiro that the members
 17 were rejecting her recommended tentative agreement.

18 26. Rather than negotiating a better agreement more in line with the wishes of
 19 Council members, Shapiro chose to cheat instead. She would “fix the fucking vote.”

20 27. Shapiro discussed this with her appointed Director of Contract

1 Administration, Dan Hutchins, and then ordered him to “fix the fucking vote.” He was
2 ordered to fix the vote in favor of the tentative agreement.

3 28. Hutchins was dependent on Shapiro for his appointed position.

4 29. Hutchins did as he was ordered. He used his access to the electronic voting
5 platform and voted on behalf of members who had not yet voted.

6 30. It worked. Hutchins, acting under direction from Shapiro, turned a defeat for
7 Shapiro into a victory. The Eastern Washington MLA passed even though that was not the
8 wish of the majority of the voting members.

9 31. Shapiro stole members’ votes because she was afraid that a public defeat of
10 her recommendation was a stain on her leadership abilities that would negatively impact
11 her 2020 re-election bid. Shapiro wanted everyone to believe that she was a strong leader
12 who delivered what the Council members wanted.

13 32. Once Shapiro learned that she could fix a vote successfully and without
14 getting caught, Shapiro was quick to do it again.

15 33. In 2020, there was a wage increase that the Western Washington MLA
16 provided for. Specifically, in 2020, union members were due for a \$2.50 raise. It was left
17 to the Council to decide how to allocate this increase between wages and contributions to
18 the health insurance, pension, and other benefits.

19 34. As a matter of course and past practice, Shapiro made a recommended
20 allocation and also surveyed the members through an electronic portal voting system to

1 decide the allocation.

2 35. A membership vote was held to determine the allocation of the \$2.50 amongst
3 the members' wages, pension, and other benefits.

4 36. There were three options of varying allocations.

5 37. Shapiro "recommended" Option 2 which provided for a higher pension
6 allocation.

7 38. Option 1 was "not recommended" because of the small allocation to the health
8 insurance fund and the pension fund.

9 39. As the survey votes were coming in it became clear that Option 1 was what
10 the members wanted. Option 1 gave the members more money on the check in the form
11 of higher wages.

12 40. Shapiro could not take this defeat which was just a few months before her re-
13 election bid.

14 41. On information and belief, Shapiro for a second time turned to her book of
15 dirty tricks and fixed the survey so Option 2 would win.

16 42. Option 2 passed by a small margin.

17 43. The next year, in 2021, Shapiro fixed another MLA ratification vote. This
18 one involved the Western Washington MLA. Shapiro had negotiated a new tentative MLA,
19 which she touted as incredible.

20 // /

1 44. But the members thought otherwise. The first two recommended tentative
2 agreements were voted down by the members.

3 45. Shapiro negotiated only minor changes to the third tentative agreement
4 (“TA#3”) and again recommended it.

5 46. The ratification vote for TA #3 was opened on August 1, 2021, and closed on
6 August 5, 2021, at 6:00 p.m.

7 47. Because Shapiro’s staff were able to track the voting results in real time
8 through the electronic voting platform, Shapiro was constantly asking for the status.

9 48. Brian Eaton, an Administrative Assistant, was asked to pull the vote numbers
10 for the leadership meeting the morning of August 5th.

11 49. When Eaton pulled the report, the vote was very close with slightly more “no”
12 votes.

13 50. Based on past consistent voting patterns, Shapiro knew that she was going to
14 lose the ratification vote for TA#3.

15 51. Shapiro had again miscalculated the wishes of the membership.

16 52. Shapiro knew she was in political danger if TA#3 failed.

17 53. Rather than negotiate a better agreement for the membership, Shapiro instead
18 chose to cheat again and turned to her dirty book of tricks to “fix the fucking vote.”

19 54. By this time though, Shapiro’s Director of Contract Administration was no
20 longer playing cheating ball for her.

1 55. So, Shapiro turned to one of her newly appointed Directors—her Director of
2 Organizing, Juan Sanchez.

3 56. Sanchez was dependent on Shapiro for his appointed job.

4 57. Shapiro ordered Sanchez to fix the vote. This was an order for Sanchez to
5 vote yes—in favor of the tentative agreement—for members who had not yet voted.

6 58. Sanchez did as ordered and voted yes in favor of TA#3 for members who had
7 not yet voted.

8 59. The electronic portal voting system worked as follows.

9 60. UBC members used their IDs to sign in and vote.

10 61. Shapiro made sure that her Director of Organizing was given the members'
11 ID numbers which allowed him to sign in and vote for members who had not yet voted.
12 Shapiro's Director of Organizing did just that. He cast votes for members who had not yet
13 voted and voted for Shapiro's recommended TA#3.

14 62. However, this time Shapiro's cheating was quickly discovered.

15 63. During the last day of the ratification vote, Eaton and his co-worker Pryscilla
16 Rodriguez received a flood of calls from frustrated members.

17 64. Members were complaining that they could not vote. When members entered
18 their union ID to vote, the screen indicated that they had already voted and had voted "yes."
19 This vote was false because they had not in fact voted and had wanted to vote "no."

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1 65. After receiving a large number of these calls, Eaton decided to look into the
 2 issue. He pulled a report from the electronic online voting program, Alchemer.

3 66. Eaton noticed that almost a thousand “yes” votes had been entered from the
 4 same IP address. This IP address was located in Vancouver, Washington.

5 67. Not only was this “yes” voting pattern from a single IP address suspicious, so
 6 too was the fact that the IP address was from outside of the Western Washington Master
 7 Labor Agreement geographic area, which did not extend as far south as Vancouver.

8 68. Eaton first reported his findings to Rick Bourdess, a former executive
 9 manager hired from outside of the union. After they went over it several times, they were
 10 unable to ascertain any innocent explanation.

11 69. So, Eaton brought it up to Hutchins. Hutchins knew right away from his
 12 experience with Shapiro two years prior what was at play.

13 70. So, to protect himself, Hutchins confirmed the findings with Matt Swanson,
 14 the political director.

15 71. Hutchins then brought up the vote rigging to Shapiro.

16 72. “Evelyn [Shapiro] is really pissed right now,” Hutchins told Eaton.

17 73. Eaton immediately obtained legal counsel to protect himself against unlawful
 18 retaliation over his vote fixing findings.

19 74. Shapiro was caught and she grew concerned that her history of vote fixing
 20 would be discovered. So, Shapiro allowed Hutchins to remove these false “yes” votes from

1 the final TA#3 tally.

2 75. Hutchins told Eaton to pull the votes from the same IP address with over 50
3 “yes” votes.

4 76. Eaton did this and, without the false votes, TA#3 failed to pass.

5 77. Suspiciously, Shapiro stated she was not interested in knowing who rigged
6 the vote. She claimed that she would investigate after a ratification agreement passed.

7 78. Later, Hutchins told Eaton that Shapiro asked him to pull for her the report
8 showing the false votes. With this report, Shapiro attempted to figure out if Eaton could
9 determine that the Director of Organizing had falsely voted per her direction.

10 79. On August 10, 2021, while Eaton was pulling the report, Eaton noticed that
11 Director of Organizing Sanchez attempted to vote from the same Vancouver IP address as
12 the thousand false votes came from.

13 80. Eaton had figured out what Shapiro had hoped he would not.

14 81. Then, a computer forensic audit by an outside investigation firm also linked
15 the IP addresses associated with the false votes to two devices, both of which were
16 maintained by Juan Sanchez.

17 82. Two more ratification votes were held. The suspect Vancouver, Washington
18 IP address cannot be seen in the TA#4 results.

19 83. However, this same IP address appeared again in the TA#5 vote results. The
20 TA#5 results shows that this same IP address was linked to one member’s UBC ID number,

1 and that member was Juan Sanchez.

2 84. In other words, Juan Sanchez used the same IP address to vote during the
 3 TA#5 as was used in TA#3 to cast the false votes.

4 85. After the UBC came in for supervision, it obtained both Shapiro's phone and
 5 Sanchez's phone. Each had Council text messages.

6 86. Shapiro's text messages with Sanchez, however, were deleted.

7 87. However, at least for a period of time, Sanchez's texts with Shapiro were still
 8 accessible. They were later deleted from Sanchez's iCloud account and thus are no longer
 9 accessible from his phone.

10 88. Before they were deleted, a UBC Representative viewed the text messages
 11 between Sanchez and Shapiro during the August 2021 TA#3 time period. These messages
 12 included texts regarding Shapiro's order to Sanchez to fix the vote.

13 89. Shapiro messaged Sanchez stating that there are people threatening her and
 14 that was why it was so important *doing* what we are doing. Sanchez responded, "I
 15 understand."

16 90. Based on the content and timing of these messages, it was clear that Shapiro
 17 had ordered Sanchez to rig the vote and was justifying her orders.

18 91. During this time there were also late-night messages between Shapiro and
 19 Sanchez in Spanish. These appeared to show that Shapiro wanted to return the favor to
 20 Sanchez for what he had done regarding the false TA#3 votes.

1 92. When confronted by these two instances of vote rigging, Shapiro resigned her
 2 office as the leader of the Regional Council and resigned her membership in the Council.

3 93. Recently, a Regional Council staff found the 2020 allocation vote to be similar
 4 to the rigged TA#3 ratification vote. Like the TA#3 vote, the allocation vote for the
 5 recommended Option 2 was failing drastically before the last day. Up until the last day of
 6 the allocation vote, most of the votes were for Option 1. However, on the last day, there
 7 was a huge turn around and Option 2, Shapiro's recommended option, passed.

8 94. Shapiro abused her position of power to coerce her appointed subordinates
 9 into committing these bad acts for her own personal and political benefit.

10 95. Shapiro's actions forced the Regional Council to needlessly expend resources
 11 that it would not have but for her breaches of her duties. For instance, the Regional Council
 12 expended staff and other resources to investigate and uncover the vote rigging in real time
 13 and to monitor the votes for TA#4 and TA#5 to ensure that no further vote rigging occurred.
 14 This would have been unnecessary but for Shapiro's vote rigging actions.

15 96. After the vote rigging for TA#3 had been discovered by Regional Council
 16 staff, Shapiro engaged in a series of lies to try to throw off discovery of her involvement.

17 97. First, Shapiro claimed that the Director of Contract Administration had
 18 engaged in vote rigging during the 2018 Western Washington member vote for a new
 19 Master Labor Agreement.

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1 98. This timing was selected because it was before Shapiro became the Regional
 2 Council's EST and CEO. Doug Tweedy was the EST/CEO at that time.

3 99. The Director of Contract Administration shot down Shapiro's false story. He
 4 admitted that Shapiro had ordered him to fix the vote in the 2019 Eastern Washington
 5 membership ratification vote. And that no one had ordered him to fix the vote during the
 6 2018 Western Washington Master Labor Agreement ratification vote, and he did not fix
 7 the vote during the 2018 Western Washington ratification vote.

8 100. Since resigning her office and membership, Shapiro has been talking with her
 9 former appointed staff and attempting to disclose private and privileged communications
 10 she had had with Council legal counsel in order to waive the attorney-client privilege held
 11 by the Council and in order to benefit herself personally.

12 101. While some of Shapiro's disclosures are fabrications, like the reasons the
 13 supervision has been imposed, she has made it clear that she will continue to make
 14 improper disclosures to try to force a complete waiver of privilege in order to support her
 15 false claims.

16 102. In making such disclosures and fabricating others, Shapiro seeks to discredit
 17 the investigation that uncovered and exposed her repeated instances of vote rigging rather
 18 than accepting responsibility.

19 103. As EST/CEO, Shapiro was privy to many privileged discussions with Council
 20 legal counsel.

1 104. All such privileges are held by the Regional Council, and not Shapiro
2 personally.

3 105. Although Shapiro cannot legally waive any privileges to these
4 communications, her improper disclosure of such communications is designed to try to
5 force some waiver.

6 106. Disclosure of privileged communications will cause the Regional Council
7 irreparable harm which can be prevented with injunctive relief prohibiting Shapiro's
8 disclosure.

FIRST CAUSE OF ACTION

(Breach of LMRDA 29 U.S.C. § 501 Fiduciary Duty)

11 107. Plaintiffs UBC and Regional Council incorporate by reference the allegations
12 set forth in paragraphs 1 through 106 above.

13 108. Per Section 501 of the LMRDA, officers, and agents of a labor organization
14 “occupy positions of trust in relation to such organization and its members as a group.” 29
15 U.S.C. § 501(a). Each officer must hold the union’s property solely for the benefit of the
16 organization and its members, act in accordance with a Union’s governing documents, and
17 refrain from having adverse interests in connection with any transaction involving the
18 union. *Id.*

19 109. Shapiro was an agent, representative and employee of the Regional Council
20 as well as an officer of the Council, and thus a fiduciary under Section 501(a).

1 110. Shapiro violated her Section 501(a) fiduciary duties based on her vote-rigging
2 scheme.

3 111. Shapiro used the members' property (i.e., their member ID and right to vote)
4 for her own personal benefit.

5 112. Shapiro failed to disclose the vote rigging even after Brian Eaton raised the
6 issue to the Council. Her lack of disclosure forced the Council and the UBC to spend time
7 and money investigating the vote rigging, which included the hiring of outside consultants.

8 113. Shapiro's Section 501(a) violations caused the Regional Council and its
9 members financial losses in an amount to be determined at trial.

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PRAAYER FOR RELIEF

Plaintiffs request the following relief:

1. Judgment against Shapiro in the amount of damages according to proof at
2. Interest at the legal rate on all damages;
3. Attorneys' fees, litigation expenses, and costs of this action;
4. An order prohibiting Shapiro from ever holding any Section 501 positions

Regional Council or any of its affiliated local unions;

5. An order prohibiting Shapiro's disclosure of all privileged conversations; and
6. Such other and further relief as may be warranted and deemed proper by the

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Dated: March 2, 2022

SHANLEY, A Professional Corporation

By: /s/ Daniel M. Shanley

Daniel M. Shanley

Attorneys for Plaintiff UNITED
BROTHERHOOD OF CARPENTERS
AND JOINERS OF AMERICA and
PACIFIC NORTHWEST REGIONAL
COUNCIL OF CARPENTERS

EXHIBIT A

EXECUTIVE COMMITTEE RESOLUTION

We, the undersigned members of the Executive Committee of the Pacific Northwest Regional Council of Carpenters, and members of the United Brotherhood of Carpenters and Joiners of America ("UBC"), welcome and consent to the UBC Trusteeship. We need independent supervision and oversight to promptly take control, lock down and preserve the electronic voting system to prevent tampering. We need an independent investigation into the election vote rigging that Regional Council staff uncovered and into other matters the UBC determines necessary. And, we need the UBC to take corrective actions to fix the problems found. In addition, each of us as UBC members pledge our full cooperation with the UBC.

EBC
John
Bob
Richard Snell
Dale
Randy
David
B. Ward
Steve Marin
Larry

John
Matthew
John Kamm
Jeffrey
Mike
Kirk Hukay
Glenn